

EXHIBIT BK

[PUBLIC VERSION]

Message

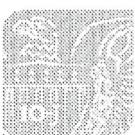
From: Humston, Tara L [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=5E6A7423DA7B4A3D8D5BFCC918A6987A-J1TLH02]
Sent: 11/23/2022 3:56:47 PM
To: George, Esther L [esther.l.george@kc.frb.org]
CC: Zahnd, Craig C [craig.zahnd@kc.frb.org]
Subject: FW: Correspondence from Custodia Regarding FTX Exchange and Related Policy Implications
Attachments: Custodia.msg

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Esther – I wanted you to be aware that yesterday, Custodia’s attorney submitted correspondence to us that essential are two “white paper” type analysis providing 1) Custodia’s perspective on the FTX collapse and explain why that happened could not happen at Custodia and 2) policy reasons why the FRS should want Custodia in the fold. We are still digesting these documents (76 and 101 pages, respectively), but I will share the first document starts out disclosing that Catilin had predicted the FTX outcome and also arranged for evidence of probable criminal activity at FTX to be turned over to the FBI in August 2022. A good portion of this first document is made up of their October response to our Applications additional information (AI) request. We will digest and see what needs to be surfaced, but at least wanted you to be aware we received this unsolicited correspondence.

Tara



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From: Imgarten, Jeffrey <jeffrey.imgarten@kc.frb.org>
Sent: Tuesday, November 22, 2022 7:19 AM
To: Vandivort, Bill <Bill.Vandivort@kc.frb.org>; Rossner, Ryan (Board) <ryan.m.rossner@frb.gov>; Thro, Alison (Board) <alison.m.thro@frb.gov>; Kudiya, Asad (Board) <asad.i.kudiya@frb.gov>; Burgess, Gillian (Board) <gillian.m.burgess@frb.gov>; Hartlage, Andrew (Board) <andrew.w.hartlage@frb.gov>; Grant, Patrick (Board) <patrick.m.grant@frb.gov>; Hazen, Judith <judith.hazen@kc.frb.org>; Conwell, Shawn <sshawn.c.conwell@kc.frb.org>; McGhee, Ben <Ben.McGhee@kc.frb.org>; Crouse, Tyler <tyler.crouse@kc.frb.org>; Lee, Shelly <shelly.lee@kc.frb.org>; O’Mara, Kelley (Board) <kelley.l.omara@frb.gov>; Billman, Nick <Nick.Billman@kc.frb.org>; Weaver, Myles <Myles.Weaver@kc.frb.org>; Smith, Gavin (Board) <gavin.l.smith@frb.gov>; Allison, Sophia (Board) <sophia.h.allison@frb.gov>; Nugent, Jackie <jackie.nugent@kc.frb.org>; Waldron, Michael (Board) <michael.w.waldron@frb.gov>; Hickman, Daniel (Board) <daniel.j.hickman@frb.gov>; Tkacz, Scott (Board) <scott.r.tkacz@frb.gov>; Winerman, Evan (Board) <evan.h.winerman@frb.gov>; Crouch, Ross <ross.crouch@kc.frb.org>; Peters, Lacey <lacey.peters@kc.frb.org>; Malloy, Matthew (Board) <matthew.s.malloy@frb.gov>; Zeltser, Nadya (Board) <nadya.zeltser@frb.gov>; Kuo, Francis (Board) <francis.s.kuo@frb.gov>; Ali, Susan (Board) <susan.f.ali@frb.gov>; Paret, Cheryl (Board) <cheryl.paret@frb.gov>; DeVita, Anthony (Board) <anthony.o.devita@frb.gov>; Chadwick, Joshua (Board) <joshua.p.chadwick@frb.gov>
Cc: Humston, Tara L <tara.l.humston@kc.frb.org>; Zahnd, Craig C <Craig.Zahnd@kc.frb.org>; Bemboom, Kara <kara.bemboom@kc.frb.org>; Smith, Dwight (Board) <dwight.l.smith@frb.gov>; Sahni, Reena (Board) <reena.a.sahni@frb.gov>; Parton, Malea <Malea.Parton@kc.frb.org>; Ives, Koko (Board) <koko.ives@frb.gov>; Haake,



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Jenifer <jenifer.haake@kc.frb.org>; Cox, Joseph (Board) <joseph.b.cox@frb.gov>
Subject: Correspondence from Custodia Regarding FTX Exchange and Related Policy Implications

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Colleagues,

Attached is unsolicited correspondence from Derek Bush on behalf of Custodia Bank that: 1) addresses the collapse of the FTX cryptocurrency exchange from a variety of angles; and 2) contends the Federal Reserve should want Custodia Bank (and other digital asset-based entities) under its supervision from a policy, payment system, and financial stability standpoint.

Thank you,



Jeff Imgarten

Assistant Vice President | Applications & Enforcement

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